

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

C

W-02393A
Chaparral Water Company
2601 West Dunlap, Ste 10
Phoenix AZ 850210000

RECEIVED

MAR 31 2005

AZ Corporation Commission
Director Of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN04	04
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COMPANY INFORMATION

Company Name (Business Name) <u>CHAPARRAL WATER COMPANY</u>		
Mailing Address <u>2601 W. DUNLAP AVE #10</u>		
<u>PHOENIX</u> (City)	<u>AZ</u> (State)	<u>85021</u> (Zip)
<u>(602) 395-2600</u> Telephone No. (Include Area Code)	<u>(602) 395-2677</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>SAME AS ABOVE</u>		
 (City)	 (State)	 (Zip)
 Local Office Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>THE CARIOCA COMPANY</u>			
 (Name)		 (Title)	
<u>SAME AS ABOVE</u> (Street)	 (City)	 (State)	 (Zip)
 Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>B3 J SERVICES ATTN: BOB GONZALES</u>			
 (Name)			
<u>PO Box 5605</u> (Street)	<u>SUN CITY</u> (City)	<u>AZ</u> (State)	<u>85376</u> (Zip)
<u>(623) 975-2424</u> Telephone No. (Include Area Code)	<u>(623) 584-5050</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent:

VAN WAGNER & ERHART

(Name)

649 N. 3RD AVE

(Street)

PHOENIX

(City)

AZ

(State)

85003

(Zip)

(602) 254-5941

Telephone No. (Include Area Code)

(602) 254-5942

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney:

SAME AS ABOVE

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☒ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

CHAPARRAL WATER COMPANY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	10,923		10,923
304	Structures and Improvements			
307	Wells and Springs	142,460	96,433	46,027
311	Pumping Equipment	101,933	97,733	4,200
320	Water Treatment Equipment	16,380	16,380	- 0 -
330	Distribution Reservoirs and Standpipes	224,523	219,125	5,398
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	6310	6310	- 0 -
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	13,695	1876	10,895
	TOTALS	516,224	438,781	77,443

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

CHAPARRAL WATER COMPANY

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	10,923		
304	Structures and Improvements			
307	Wells and Springs	142,460		4504
311	Pumping Equipment	101,933		689
320	Water Treatment Equipment	16,380		
330	Distribution Reservoirs and Standpipes	224,523		3599
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	6310		
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	13,625		1875
	TOTALS	516,224		10,667

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME

CHAPARRAL WATER COMPANY

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ - 0 -	\$ 6,386
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	18,492	16,197
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 18,492	\$ 22,523
	FIXED ASSETS		
101	Utility Plant in Service	\$ 512,151	\$ 516,223
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	(436,120)	(438,721)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 76,031	\$ 77,442
	TOTAL ASSETS	\$ 94,523	\$ 100,025

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

CHAPARRAL WATER COMPANY

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 453	\$ 1301
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	10,843	12,358
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	4641	3724
	TOTAL CURRENT LIABILITIES	\$ 15,937	\$ 17,383
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 78,586	\$ 82,642
	TOTAL LIABILITIES AND CAPITAL	\$ 94,523	\$ 100,025

COMPANY NAME

CHAPARRAL WATER COMPANY

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 126,305	\$ 143,359
460	Unmetered Water Revenue		
474	Other Water Revenues	62	651
	TOTAL REVENUES	\$ 126,367	\$ 144,010
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	17,275	18,769
618	Chemicals		
620	Repairs and Maintenance	27,057	24,669
621	Office Supplies and Expense	4259	5176
630	Outside Services	46,800	53,700
635	Water Testing		
641	Rents		12,000
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case	14,046	2362
675	Miscellaneous Expense		
403	Depreciation Expense	10,950	10,667
408	Taxes Other Than Income		
408.11	Property Taxes	8010	5162
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 128,397	\$ 132,505
	OPERATING INCOME/(LOSS)	\$ (2030)	\$ 11,505
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		406
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(330)	(189)
	TOTAL OTHER INCOME/(EXPENSE)	\$ (330)	\$ 217
	NET INCOME/(LOSS)	\$ (2360)	\$ 11,722

COMPANY NAME

CHAPARRAL WATER COMPANY

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

NONE

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 4748.⁰⁰

Meter Deposits Refunded During the Test Year

\$ 523.⁰⁰

COMPANY NAME

CHAPARRAL WATER COMPANY

WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-619-218	15	90		8	3	
55-619-219	15	50		8	3	
55-561-9217	15	90		8	3	
55-558536	25	140		12	3	

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	1		
10	5		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
15,000	1	5000	1
35,000	2	3000	1
10,000	2	10,000	1
165,000	1		

COMPANY NAME

CHAPARRAL WATER COMPANY

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	1800
5		
6	PVC	4800
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	318
3/4	
1	2
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

CHLORINATING EQUIPMENT ON WELLSITE 1, 2, 3.

STRUCTURES:

8' X 12' METAL STORAGE SHED.

OTHER:

COMPANY NAME: CHAPARRAL WATER COMPANY

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	328	3637500	3637500
FEBRUARY	329	3428600	3428600
MARCH	327	2863100	2863100
APRIL	328	2930000	2930000
MAY	330	3932100	3932100
JUNE	329	5039300	5039300
JULY	327	6169200	6169200
AUGUST	326	5689800	5689800
SEPTEMBER	330	5462450	5462450
OCTOBER	332	3895800	3895800
NOVEMBER	328	3433200	3433200
DECEMBER	325	3243600	3243600
TOTAL		NA	49,724,650

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes

☐ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes

☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. < .0050 mg/l *

(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

* SAME FOR ALL WELLS.

COMPANY NAME CHAPEL HILL WATER COMPANY YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 7582.25

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME CHAPARRAL WATER COMPANY YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported
Estimated or Actual Federal Tax Liability

PAID BY PARENT CO

State Taxable Income Reported
Estimated or Actual State Tax Liability

PAID BY PARENT CO

Amount of Grossed-Up Contributions/Advances:

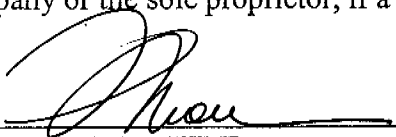
Amount of Contributions/Advances
Amount of Gross-Up Tax Collected
Total Grossed-Up Contributions/Advances

- 0 -
- 0 -
- 0 -

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

3/28/05
DATE

MARVIN L. ROSE
PRINTED NAME

PRESIDENT
TITLE

RECEIVED

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

MAR 31 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF AZ
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>MARICOPA</u>
NAME (OWNER OR OFFICIAL) TITLE <u>MARVIN L. ROSE, PRESIDENT</u>
COMPANY NAME <u>CHANDLER WATER COMPANY</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 153,799.00

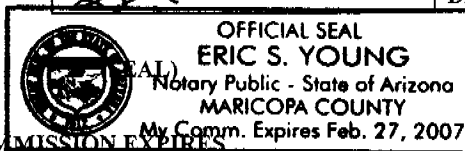
(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 9788.88
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

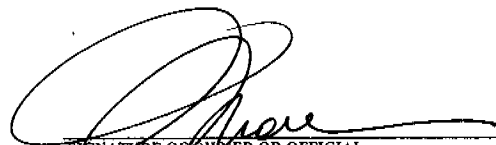
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

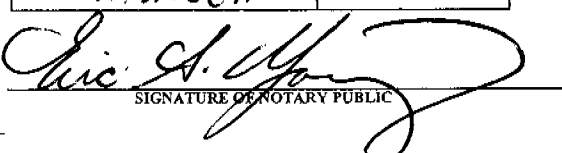
THIS 20th DAY OF



MY COMMISSION EXPIRES


SIGNATURE OF OWNER OR OFFICIAL
(602) 395-2600
TELEPHONE NUMBER

COUNTY NAME <u>MARICOPA</u>
MONTH <u>MARCH</u> YEAR <u>2005</u>


SIGNATURE OF NOTARY PUBLIC

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

MAR 31 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

COUNTY OF (COUNTY NAME) <u>MARICOPA</u>	
NAME (OWNER OR OFFICIAL) <u>MARVIN L. ROSE</u>	TITLE <u>PRESIDENT</u>
COMPANY NAME <u>CHAPARRAL WATER COMPANY</u>	

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

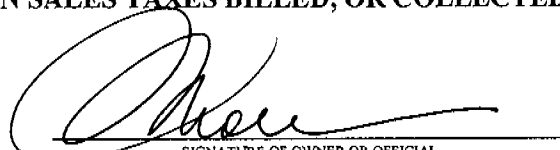
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 153,799.08

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 9788.88
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL
(602) 395-2600
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

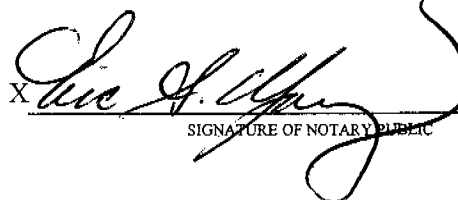
28

DAY OF

NOTARY PUBLIC NAME <u>ERIC S. YOUNG</u>	
COUNTY NAME <u>MARICOPA</u>	
MONTH <u>MARCH</u>	20 <u>05</u>

(SEAL)




SIGNATURE OF NOTARY PUBLIC

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Maricopa County

Treasurer's Office

Tax Bill	Tax Summary	Pay Online!	Valuations	Home
Tax Stub	Address	Activities	Tax Receipt	New Parcel

2004 Property Tax Statement - Parcel 612-08-107 6		
Tax Bill Summary		
2004 Assessed Value	Totals	2004 Tax Amount
\$65,250	Primary (limited)	\$5,171.78
\$65,250	Secondary (full cash)	\$1,246.72
	Special Districts	\$735.56
No delinquent prior year taxes	Full Year Amount*	\$7,154.06
\$3,577.03	<1st Due each half 2nd>	\$3,577.03
Area Code: 810007	Total Payments Made	\$3,577.03

* The Full Year Amount is for the current tax year only. It does NOT include late payment interest charges or delinquent prior year taxes. The statement is for 2004 only. To view the Total Amount Due including interest and penalties [Click Here](#). The first half payment is due 1 Oct 2004, and the second half is due 1 Mar 2005. Please call (602) 506-8511 for any questions concerning the Statement or Amount Due. Include a [Tax Stub](#) with your check.

[Tax History](#)
 [New Parcel](#)
 [Treasurer's Home Page](#)
 [Current Assessed Value](#)
 [Parcel Map](#)

Property Information		
Legal Description		
Section/Lot	Township/Block	Range/Tract
TOTAL VALUE OF OPERATING PROPERTY		
*A complete legal description is available from the Maricopa County Assessor at (602)506-3406.		
Current Mailing Name & Address		
CHAPARRAL WATER CO		
2601 W DUNLAP #10		
PHOENIX AZ		

[Request Name/Mailing Address Changes](#)
 or call the Treasurer at (602)506-8511.

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Maricopa County

Treasurer's Office

Tax Bill	Tax Summary	Pay Online!	Valuations	Home
Tax Stub	Address	Activities	Tax Receipt	New Parcel

Activities - Parcel 612-08-107 6

Year	Activity Description	Amount	Act Date	Pmt Date
2004	TAX PAYMENT	\$3,577.03	10/27/2004	10/26/2004
2003	TAX PAYMENT	\$4,005.22	4/5/2004	3/31/2004
2003	TAX PAYMENT	\$4,005.22	10/28/2003	10/27/2003
2002	TAX PAYMENT	\$3,954.52	3/12/2003	3/11/2003
2002	TAX PAYMENT	\$3,954.52	10/17/2002	10/16/2002
2001	TAX PAYMENT	\$3,061.79	4/9/2002	4/8/2002
2001	TAX PAYMENT	\$3,061.79	11/8/2001	10/31/2001
2000	TAX PAYMENT	\$3,591.39	3/22/2001	3/20/2001
2000	TAX PAYMENT	\$3,591.39	10/31/2000	10/31/2000